

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 23, 2007

PETITION OF

AT&T COMMUNICATIONS OF VIRGINIA, LLC

CASE NO. PUC-2007-00001

For a waiver of the price ceilings for
residential local exchange service of
its Call Plan Unlimited Plus

ORDER FOR NOTICE AND INVITING
COMMENTS AND REQUESTS FOR HEARING

On January 3, 2007, AT&T Communications of Virginia, LLC ("AT&T" or the "Company"), filed a petition with the State Corporation Commission ("Commission") for a waiver of the price ceilings applicable to its residential local exchange service known as AT&T's Call Plan Unlimited Plus, in order for AT&T to increase prices for the service effective March 1, 2007.¹ All affected customers reside in areas of Virginia where Verizon Virginia Inc. ("Verizon") is the incumbent local exchange carrier ("ILEC").

Specifically, AT&T requests a waiver of 20 VAC 5-417-50 D of the Rules Governing the Certification and Regulation of Competitive Local Exchange Carriers, 20 VAC 5-417-10 et seq. ("CLEC Rules"), which provides that prices for local exchange telecommunications services shall not exceed the highest prices of the comparable tariffed services provided by the ILEC in the same local serving areas. AT&T requests a waiver pursuant to 20 VAC 5-417-50 E of the CLEC Rules, which provides that the Commission may permit alternative pricing structures and rates unless there is a showing the public interest will be harmed. AT&T's petition represents that the most directly comparable Verizon local exchange service is priced at \$15.87 per month.

¹ AT&T's petition states that it is providing 30 days' notice to its Call Plan Unlimited Plus customers via a bill message.

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AT&T's rates, if the waiver is approved, would rise to \$16.82 per month for an initial line and \$15.95 per month for additional lines.²

AT&T states that it faces a disparity between its costs and the prices the Company can charge under the price ceilings because court decisions and the Federal Communications Commission have eliminated certain combinations of unbundled network elements. As a result, in September 2005, AT&T entered into a commercial agreement with Verizon that substantially increased AT&T's costs for offering its Call Plan Unlimited Plus.

In support of its request, AT&T also asserts that a waiver of the price ceilings will not harm the public interest. The Company's petition states that affected customers have numerous choices for obtaining local exchange services, including not only Verizon, but also competitive local exchange carriers, wireless carriers, and Voice over Internet Protocol providers.

NOW, THE COMMISSION, upon consideration of the matter, finds that public notice should be given and that interested parties should have the opportunity to comment or to request a hearing on AT&T's petition.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUC-2007-00001.
- (2) A copy of AT&T's petition (public version) and a copy of this Order may be obtained by submitting a written request to counsel for the Company, Mark Keffer, Esquire, AT&T Communications of Virginia, LLC, 3033 Chain Bridge Road, Second Floor, Oakton, Virginia 22185. Interested persons also may review copies in the Commission's Document Control Center, located on the First Floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia between the hours of 8:15 a.m. and 5:00 p.m., Monday through Friday, or download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/caseinfo.htm>.

² The existing AT&T rates are \$14.82 and \$13.95, respectively.

(3) On or before January 31, 2007, AT&T shall publish once, as classified advertising, the following notice of its petition in the daily newspapers of general circulation in the Richmond, Roanoke, Lynchburg, Hampton Roads, and Northern Virginia areas in which the Company provides service:

NOTICE OF AT&T COMMUNICATIONS OF VIRGINIA, LLC
OF ITS PETITION FOR A WAIVER OF PRICE
CEILINGS FOR LOCAL EXCHANGE SERVICE
CASE NO. PUC-2007-00001

On January 3, 2007, AT&T Communications of Virginia, LLC ("AT&T" or the "Company"), filed a petition with the State Corporation Commission ("Commission") for a waiver of 20 VAC 5-417-50 D of the Rules Governing Competitive Local Exchange Carriers regarding price ceilings applicable to its local exchange telephone service known as Call Plan Unlimited Plus. Specifically, AT&T seeks a waiver, beginning March 1, 2007, in order to increase its monthly prices for such service to \$16.82 for each initial line and \$15.95 for each additional line. AT&T asserts that a waiver of the price ceilings will not harm the public interest because the affected customers may choose from other competitive providers offering similar services.

Interested persons may obtain more information about the Company's petition and the Commission's Order in this proceeding by submitting a written request to counsel for the Company, Mark Keffer, Esquire, AT&T Communications of Virginia, LLC, 3033 Chain Bridge Road, Second Floor, Oakton, Virginia 22185. Interested persons also may review copies in the Commission's Document Control Center, located on the First Floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia between the hours of 8:15 a.m. and 5:00 p.m., Monday through Friday, or download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/caseinfo.htm>.

On or before February 14, 2007, interested persons may file an original and fifteen (15) copies of any comments on issues associated with the petition with the Clerk of the Commission at the address set forth below. Interested persons desiring to submit comments electronically may do so by following the instructions available at the Commission's website identified above.

On or before February 14, 2007, any interested person may request a hearing on issues associated with the petition by filing an original and fifteen (15) copies of such request with the Clerk of

the Commission at the address set forth below. Any request for hearing shall state with specificity why the issues raised in the request for hearing cannot be adequately addressed in written comments. If a sufficient request for hearing is not received, the Commission may consider the application and enter an order based upon the papers filed. Persons expecting to participate as a respondent in any hearing that may be scheduled shall file, along with their request for hearing, an original and fifteen (15) copies of a notice of participation in accordance with 5 VAC 5-20-80 of the Commission Rules of Practice and Procedure.

All filings in this proceeding shall be directed to Joel H. Peck, Clerk, State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and shall refer to Case No. PUC-2007-00001. Copies shall also be sent to counsel for the Company at the address set forth above.

AT&T COMMUNICATIONS OF VIRGINIA, LLC

(4) On or before February 7, 2007, AT&T shall file with the Clerk of the Commission the proof of notice required by Ordering Paragraph (3) herein.

(5) On or before February 14, 2007, interested persons may file an original and fifteen (15) copies of any comments on the issues associated with the petition with the Clerk of the Commission c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUC-2007-00001. Interested persons desiring to submit comments electronically may do so by following the instructions available at the Commission's website identified in Ordering Paragraph (2) above.

(6) On or before February 14, 2007, any interested person may request a hearing on the issues associated with the petition by filing an original and fifteen (15) copies of such request with the Clerk of the Commission at the address set forth in Ordering Paragraph (5) above. Any request for hearing shall state with specificity why the issues raised in the request for hearing cannot be adequately addressed in written comments. If a sufficient request for hearing is not received, the Commission may consider the petition and enter an order based upon the papers filed herein. Interested parties shall refer in their requests to Case No. PUC-2007-00001.

(7) On or before February 14, 2007, persons expecting to participate as a respondent in any hearing that may be scheduled in this matter shall file, along with their request for hearing, an original and fifteen (15) copies of a notice of participation with the Clerk of the Commission at the address set forth in Ordering Paragraph (5) above. Such notice of participation shall be in accordance with 5 VAC 5-20-80 B of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 et seq. Respondents shall refer in their notices to Case No. PUC-2007-00001.

(8) A copy of any written comments, requests for hearing, or notices of participation filed shall be simultaneously sent to Mark A. Keffer, counsel for the Company, at the address set forth in Ordering Paragraph (2) above.

(9) On or before February 26, 2007, the Commission Staff shall file comments on the issues associated with the petition.

(10) On or before March 7, 2007, AT&T shall file an original and fifteen (15) copies of any responses to comments and requests for hearing filed with the Commission.

(11) This matter is continued for further orders of the Commission.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Mark Keffer, Esquire, AT&T Communications of Virginia, LLC, 3033 Chain Bridge Road,
Second Floor, Oakton, Virginia 22185; C. Meade Browder, Jr., Senior Assistant Attorney
General, Division of Consumer Counsel, Office of Attorney General, 900 East Main Street,
Second Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and
Division of Communications.